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THE WEEKLY OF
BUSINESS AVIATION

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NTSB INVESTIGATING POSSIBILITY OF STRUCTURAL FAILURE IN PBA CRASH

National Transportation Safety Board investigators Friday were checking the possibility that a structural failure may have caused the fatal crash of a Provincetown-Boston Airline EMB-110 Embraer Bandeirante shortly after takeoff from Jacksonville, Fla. on Thursday evening. While officials emphasized it was too early to draw any definite conclusions, they noted that the position of the aircraft and wreckage scatter pattern could be related to structural problems.

The aircraft, with two pilots and 11 passengers, departed Jacksonville at 6:15 p.m. Thursday enroute to Tampa. The aircraft reached an altitude of about 600 feet before it appeared to fall off to the right and began losing altitude. There was apparently no communication from the crew regarding any problems. The main portion of the fuselage crashed in a marshy area, about 1.5 miles from the airport in line with the extended runway centerline. Officials said the plane was upside down, with the nose pointed back toward the airport. The Bandeirante's horizontal stabilizer and tail cone were found about one-third of a mile closer to the airport than the main portion of the wreckage. Investigators said they had found a portion of one elevator and were searching for the remainder of the elevator assembly. The tail section components were to be sent back to NTSB headquarters in Washington for metallurgical analysis.

The crash occurred less than two weeks after PBA had resumed limited operations following FAA's revocation of its operating certificate in November for a series of safety violations. Working closely with FAA officials, a new PBA management team had managed to get most of its Cessna 402 fleet and some of its Bandeirantes back in operation when last week's accident happened. An FAA spokesman told *BA* Friday that the recertification effort had been "going real orderly and very well" and added that "we don't anticipate any stop or delay" in the recertification process. PBA had said it hoped to begin flying its larger Part 121 aircraft later this month following completion of recertification efforts.

Both pilots on the aircraft had received Bandeirante proficiency checks this month; Capt. Thomas Ashby on Dec. 1 and co-pilot Louis Fernandez on Dec. 4. Ashby was No. 2 on PBA's seniority list, having been with the carrier for 10 years. Weather at the time of the accident was clear, with visibility reported to be seven miles.

There are about 130 Bandeirantes in operation in the U.S. and last Thursday's accident was believed to be the first fatal accident in this country involving one of the Brazilian-built aircraft since it went into service. FAA issued an airworthiness directive last July after loose rivets had been found in the tail section of Bandeirantes operated by a commuter carrier *(BA, April 4, 1983/107)*. That directive, AD-83-14-09, designed "to preclude structural failure of the horizontal stabilizer front attachment and fuselage bulkhead 33," required operators to inspect their aircraft for loose rivets at regular intervals and eventually replace the rivets.

AMENDMENTS PROPOSED TO FAR PART 25 TRANSPORT AIRCRAFT STANDARDS

Federal Aviation Administration has proposed a wide-ranging series of changes in Part 25 of the *Federal Aviation Regulations* dealing with certification of transport category aircraft with special emphasis on airworthiness standards for small transport category planes used by regional air carriers. In a notice published last week, FAA said the proposed changes are necessary to: update the regulations for clarity and

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BUSINESS AVIATION BRIEFS

FEDERAL AVIATION ADMINISTRATION still hopes to complete work on its new crewmember flight time limits regulations before yearend, about one month later than originally anticipated *(BA, Sept. 17/89)*. New rules would then have to be reviewed by Transportation Department and Office of Management and Budget officials before FAA could implement them.

* * *

PIPER AIRCRAFT CORP. delivered its 100th single-engine Malibu on Nov. 28, almost one year to the day since deliveries of the new model began. Production of the Malibu is running at eight to 10 units per month and officials say backlog for the aircraft extends through June at the current production rate. Original base price of $275,000 has been raised to $300,000 for the 1985 models, boosting the average price when equipped to about $350,000.

* * *

TREASURY DEPARTMENT'S proposal to revamp federal tax laws, including elimination of the investment tax credit and extending depreciation periods *(BA, Dec. 3/177)*, would substitute a Real Cost Recovery System in place of the current Accelerated Cost Recovery System. Under RCRS, aircraft would be assigned to a new Class 3, which provides for a 12-year close-out period. Treasury said the close-out year "is not an estimate of the economic useful life of assets," but rather "would be the year . . . in which 15 percent of the inflation-adjusted original basis remains to be depreciated." RCRS would be effective for property purchased on or after Jan. 1, 1986, if the Treasury plan is enacted.

* * *

FEDERAL AVIATION ADMINISTRATION, in publishing a series of proposals for new regulations for helicopter powerplants, said it "estimates that there will be six new helicopters certificated by the year 2000." All but one of those are expected to be developed by major manufacturers employing in excess of 1,500 persons, FAA said.

* * *

PHH AVIATION SYSTEMS INC., Golden, Colo., said it has developed a computer program to help corporate flight department operators comply with the provisions of the Tax Reform Act of 1984, which requires detailed documentation about the persons carried on business aircraft and the purpose of the flight. PHH said the Passenger Movement and Flight Summary Reports available with its Operational Analysis System/91 program can detail essential information, such as dates, itineraries, passenger names and the reason for the flight, by individual aircraft. For more information, contact the company at 1726 Cole Blvd., Suite 200, Golden, Colo., 80401 or call (303) 279-8910.

* * *

ROBERT E. BREILING, vice president of SimuFlite Training International, has announced plans to form his own aviation consulting firm, Robert E. Breiling Associates, effective Jan. 1. Breiling, who is well known for his analyses of accident statistics in business and air carrier aviation, plans to market an in-depth analysis of such statistics, along with offering consulting services to the aviation insurance industry, aircraft manufacturers and corporate/business aircraft operators. Breiling also will continue as a consultant to SimuFlite, where he was one of the key figures in the startup and development of the simulator training firm. For more information, contact Breiling at (214) 456-8130.

* * *

AIRPORT AND AIRWAY TRUST FUND had a balance of $6.4 billion at the end of September, the latest figure available, according to the Treasury Department *see chart on the back of this page.*

* * *

EMERY AIR FREIGHT announced a public offering of $65 million in special facilities revenue bonds by the City of Dayton, Ohio. Proceeds from the bond issue will be used to retire an earlier bond issue of $50 million that was used to fund initial construction of Emery's air cargo distribution center at Dayton International Airport. Balance of the new issue will provide for further expansion of the facility, including a 164-foot ground control tower, a large building and one million square feet of additional taxiing area to accommodate larger aircraft.

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AIRPORT AND AIRWAY TRUST FUND
Status As Of Sept. 30, 1984

	CURRENT MONTH	FISCAL YEAR TO DATE
I. BALANCE - BEGINNING OF PERIOD	6,334,023,628.03	4,787,453,189.49
II. RECEIPTS:		
A. Excise Taxes (Transferred from General Fund) :		
Any liquid fuel except gas	6,583,000.00	70,219,689.00
Tires used on aircraft	0.00	275,000.00
Tubes used on aircraft	0.00	31,000.00
Gasoline		
1. Commercial 9 cents tax	225,000.00	2,692,000.00
2. Non-commercial 9 cents tax	2,375,000.00	24,096,794.00
3. Non-commercial 5 cents tax	792,000.00	8,484,598.00
4. Transp by air,seats,berths,etc.	203,526,000.00	2,181,436,379.00
Use of international trav fac	7,657,000.00	79,870,527.00
Transp of property and cargo	14,851,000.00	133,998,418.00
Total Tax Receipts	236,009,000.00	2,501,104,405.00
B. Less Reimbursement to General Fund - Refund of Taxes and Estimated Tax Credits :		
1. Civil aircraft	0.00	471,539.00
2. Any liquid fuel except gas	0.00	738,047.00
3. Gasoline -Retailer's tax	0.00	581,703.00
Total Reimburse for Tax Refunds	0.00	1,791,289.00
Net Tax Receipts	236,009,000.00	2,499,313,116.00
C. Interest on Investments	2,521,738.43	545,845,291.36
Net Receipts	238,530,738.43	3,045,158,407.36
III. EXPENDITURES :		
A. Federal Aviation Administration :		
1. Operations	-123.97	256,676,112.93
2. Grants-in-aid for airports	80,711,270.26	693,898,477.13
3. Facilities & equipment	28,843,569.38	267,685,744.64
4. Research engineering & development	15,413,880.38	146,218,870.74
B. NOAA weather services	6,750,000.00	27,000,000.00
C. Interest on Refund of Taxes	0.00	296,621.00
Total Expenditures	131,718,596.05	1,391,775,826.44
IV. BALANCE - END OF PERIOD	6,440,835,770.41	6,440,835,770.41

STATEMENT OF FINANCIAL CONDITION

ASSETS :		
Undisbursed Balances:		
Airport & Airway Trust Fund	496.81	
Operations	3,887.07	
Grants-in-aid for Airports	-740,076.79	
Facilities & Equipment	5,076,509.70	
Research Engineering & Development	2,792,953.62	
NOAA weather services	0.00	
		7,133,770.41
Investments :		
U.S. TREASURY CERTIFICATES OF INDEBTEDNESS :		
11-1/4% maturing June 30, 1985	236,009,000.00	
11-1/8% maturing June 30, 1985	6,197,693,000.00	6,433,702,000.00
Total Assets		6,440,835,770.41
LIABILITIES:		0.00
EQUITY:		
Excess of Assets over Liabilities		6,440,835,770.41
Total Liabilities and Equity		6,440,835,770.41

Treasury Department Chart